

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 <div style="border: 1px solid black; text-align: center; padding: 5px; font-weight: bold; font-size: 1.2em;">2010</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>10/01/2010</u> and ending <u>09/30/2011</u>	
A This return/report is for:	☒ single-employer plan ☐ multiple-employer plan (not multiemployer) ☐ one-participant plan
B This return/report is for:	☐ first return/report ☐ final return/report ☐ an amended return/report ☐ short plan year return/report (less than 12 months)
C Check box if filing under:	☐ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>WALTER USA, INC. PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">1b Three-digit plan number (PN) ►</td> <td style="width: 40%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>10/01/1966</u></td> </tr> </table>	1b Three-digit plan number (PN) ►	<u>002</u>	1c Effective date of plan <u>10/01/1966</u>	
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1c Effective date of plan <u>10/01/1966</u>					
2a Plan sponsor's name and address (employer, if for single-employer plan) <u>WALTER USA, INC.</u> <u>N22 W23855 RIDGEVIEW PKWY W</u> <u>WAUKESHA, WI 53188</u>	2b Employer Identification Number (EIN) <u>39-0925180</u>				
	2c Plan sponsor's telephone number <u>262-347-2420</u>				
	2d Business code (see instructions) <u>333510</u>				
3a Plan administrator's name and address (if same as Plan sponsor, enter "Same") <u>WALTER USA, INC.</u> <u>N22 W23855 RIDGEVIEW PKWY W</u> <u>WAUKESHA, WI 53188</u>	3b Administrator's EIN <u>39-0925180</u>				
	3c Administrator's telephone number <u>262-347-2420</u>				
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. Sponsor's name	4b EIN				
	4c PN				
5a Total number of participants at the beginning of the plan year	5a <u>50</u>				
b Total number of participants at the end of the plan year	5b <u>56</u>				
c Total number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	5c				
6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)	☒ Yes ☐ No				
b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)	☒ Yes ☐ No				

If you answered "No" to either 6a or 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.

Part III	Financial Information																																										
7 Plan Assets and Liabilities	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th style="width: 25%;">(a) Beginning of Year</th> <th style="width: 25%;">(b) End of Year</th> </tr> <tr> <td>a Total plan assets</td> <td>7a <u>546463</u></td> <td><u>651566</u></td> </tr> <tr> <td>b Total plan liabilities</td> <td>7b</td> <td></td> </tr> <tr> <td>c Net plan assets (subtract line 7b from line 7a)</td> <td>7c <u>546463</u></td> <td><u>651566</u></td> </tr> </table>		(a) Beginning of Year	(b) End of Year	a Total plan assets	7a <u>546463</u>	<u>651566</u>	b Total plan liabilities	7b		c Net plan assets (subtract line 7b from line 7a)	7c <u>546463</u>	<u>651566</u>																														
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Part IV Plan Characteristics**9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1B 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:**Part V Compliance Questions**

10	During the plan year:	Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)		X	
b	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)		X	
c	Was the plan covered by a fidelity bond?	X		4000000
d	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
e	Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	X		623
f	Has the plan failed to provide any benefit when due under the plan?		X	
g	Did the plan have any participant loans? (If "Yes," enter amount as of year end.)		X	
h	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
i	If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3		X	

Part VI Pension Funding Compliance**11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500))..... ☒ Yes ☐ No**12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? .. ☐ Yes ☒ No
(If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)**a** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____**If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.**

b Enter the minimum required contribution for this plan year.....	12b	
c Enter the amount contributed by the employer to the plan for this plan year.....	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d	
e Will the minimum funding amount reported on line 12d be met by the funding deadline?.....		☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets**13a** Has a resolution to terminate the plan been adopted during the plan year or any prior year? ☐ Yes ☒ NoIf "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a** **b** Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No**c** If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	04/23/2012	TOM GORR
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>WALTER USA, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>WALTER USA, INC.</u>	D Employer Identification Number (EIN) <u>39-0925180</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>10</u> Day <u>01</u> Year <u>2010</u>
2	Assets:
a	Market value 2a <u>645802</u>
b	Actuarial value 2b <u>645802</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>0</u> <u>0</u>
b	For terminated vested participants 3b <u>29</u> <u>284931</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>27583</u>
(2)	Vested benefits 3c(2) <u>494467</u>
(3)	Total active 3c(3) <u>32</u> <u>522050</u>
d	Total 3d <u>61</u> <u>806981</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>6.59</u> %
6	Target normal cost 6 <u>41234</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>01/06/2012</u> Date
Signature of actuary <u>BRENDA HARDY, A.S.A., E.A.</u>	Most recent enrollment number <u>11-04885</u>
Type or print name of actuary <u>NORTHERN CONSULTING ACTUARIES INC</u>	Telephone number (including area code) <u>612-596-5962</u>
Firm name <u>840 LUMBER EXCHANGE, 10 S 5TH STREET</u> <u>MINNEAPOLIS, MN 55402</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

Part II	Beginning of year carryover and prefunding balances	(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	81	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	81	0
10	Interest on item 9 using prior year's actual return of <u>3.50</u> %	3	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		62662
b	Interest on (a) using prior year's effective rate of <u>6.76</u> %		4236
c	Total available at beginning of current plan year to add to prefunding balance		66898
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	84	0

Part III	Funding percentages		
14	Funding target attainment percentage.....	14	80.01 %
15	Adjusted funding target attainment percentage.....	15	80.01 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	77.13 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV	Contributions and liquidity shortfalls				
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
06/10/2011	15327				
06/10/2011	15327				
07/18/2011	15329				
10/07/2011	15329				
12/27/2011	96000				
			Totals ►	18(b)	18(c)
				157312	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	146601

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☒ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 6.52 %	3rd segment: 6.68 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	41234
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	128984	26887
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	68121
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	68121
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	146601
38 Interest-adjusted excess contributions for current year (see instructions).....	38	78480
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE SB, line 19 – Discounted Employer Contributions**Walter USA, Inc. Pension Plan****EIN: 39-0925180****PLAN NUMBER: 002**

Contribution Date	Quarterly Due Date	Contribution	Plan Year Applied	Number of days discounted at		Interest Adjusted Contribution
				6.59%	11.59%	
06/10/2011	01/15/2011	\$15,327	2010	106	146	\$14,400
06/10/2011	04/15/2011	\$15,327	2010	196	56	\$14,564
07/18/2011	07/15/2011	\$15,329	2010	287	3	\$14,566
10/07/2011	10/15/2011	\$15,329	2010	371	0	\$14,366
12/27/2011		\$96,000	2010	452	0	\$88,705
						\$146,601

EIN: 39-0925180 PN: 002

A “unit credit actuarial cost” method and contributing “normal cost” plus a “shortfall” contributions. No shortfall contribution is required in 2008, 2009 and 2010 if minimum funding thresholds of 92%, 94% and 96% respectively (ignoring any pre-2008 credit balances) are met (a plan new after 2007 is not eligible for this transition and must start at 100%). After 2008, shortfalls are recalculated each year and any incremental gain or loss starts a new seven year period.

The actuarial value of assets equals the contract value of assets held in an insurance company general account (unallocated contracts), plus the market value of assets held in pooled separate accounts, adjusted for the value of any contributions which may be receivable or prepaid as of the valuation date.

a. Segment Rates Applicable for June 2010 (lookback month)

h. Expense	None
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This report is based on employee and salary data furnished by Walter USA, Inc.

SCHEDULE SB, Part V – Summary of Plan Provisions
WALTER USA, INC. PENSION PLAN
EIN: 39-0925180 PN: 002

This summary of plan provisions provides an overview of the major provisions of the pension plan used in the actuarial valuation. Because it is only a summary, and is not intended to replace the more precise language of the plan document, if there is any difference between the description of the plan herein and the actual text of the plan document, the plan document will govern.

EFFECTIVE DATE OF PLAN	October 1, 1966
ELIGIBILITY REQUIREMENTS	
Minimum Age	None
Service	None
NORMAL RETIREMENT	
Age	65
Normal form of annuity	Five years certain and life
Monthly Benefit	Effective October 1, 2008 participants accrue \$25 for each year of participation. Partial credit is given for partial years of participation (less than 1800 hours).
EARLY RETIREMENT	
Eligibility	Age 55 and 10 years of service
Monthly benefit	Accrued Benefit reduced .5% for each month by which the participant's early retirement precedes normal retirement.
SPECIAL EARLY RETIREMENT	
Eligibility	Window to elect from Oct 1, 2008 to Dec 1, 2008. Age 63 and 14 Plan Years of Service as of Oct 1, 2008.
Monthly benefit	Participant's Accrued Benefit, unreduced for early commencement, plus a monthly supplemental payment of \$800 payable from the date of Special Early Retirement until the month prior to the Participant's Normal Retirement Date.
POSTPONED RETIREMENT	
Eligibility	Past normal retirement age
Monthly benefit	The greater of the accrued benefit determined as of the participant's actual retirement date or the actuarial equivalent of the benefit payable at the participant's normal retirement date.
DISABILITY RETIREMENT	
Monthly benefit	Participant's accrued benefit at date of disability
DEATH BENEFIT	
	The surviving spouse is entitled to the survivor's portion of a life and ½ to survivor annuity that would have been available if the participant had terminated on the day immediately preceding their death, payable upon the earliest date thereafter that the participant could have retired.
VESTING	100% vested upon completion of five years of service

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2010**This Form is Open to Public
Inspection**

For calendar plan year 2010 or fiscal plan year beginning 10/01/2010 and ending 09/30/2011

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan WALTER USA, INC. PENSION PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF WALTER USA, INC.		D Employer Identification Number (EIN) 39-0925180
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>10</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value		2a	645,802
b Actuarial value		2b	645,802
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment		3a	0
b For terminated vested participants		3b	29
c For active participants:			
(1) Non-vested benefits		3c(1)	27,583
(2) Vested benefits		3c(2)	494,467
(3) Total active		3c(3)	32
d Total		3d	61
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor		4b	
5 Effective interest rate		5	6.59 %
6 Target normal cost		6	41,234

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<i>Brenda Hardy</i> <i>Bkt</i> Signature of actuary	<u>1-6-2012</u> Date
BRENDA HARDY, A.S.A., E.A. Type or print name of actuary		11-04885 Most recent enrollment number
NORTHERN CONSULTING ACTUARIES INC Firm name		(612) 596-5962 Telephone number (including area code)
840 LUMBER EXCHANGE, 10 S 5TH STREET Address of the firm		
MINNEAPOLIS MN 55402		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	81	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8)	81	0
10 Interest on item 9 using prior year's actual return of <u>3.50</u> %	3	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		62,662
b Interest on (a) using prior year's effective rate of <u>6.76</u> %		4,236
c Total available at beginning of current plan year to add to prefunding balance		66,898
d Portion of (c) to be added to prefunding balance		0
12 Reduction in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	84	0

Part III Funding percentages

14 Funding target attainment percentage	14	80.01 %
15 Adjusted funding target attainment percentage	15	80.01 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	77.13 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
06/10/2011	15,327				
06/10/2011	15,327				
07/18/2011	15,329				
10/07/2011	15,329				
12/27/2011	96,000				
Totals ▶			18(b)	157,312	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	146,601

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☒ No
- c** If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 6.52 %	3rd segment: 6.68 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	41,234
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	128,984	26,887
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	68,121
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	68,121
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	146,601
38 Interest-adjusted excess contributions for current year (see instructions)	38	78,480
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

Attachment to 2010 Form 5500
Schedule SB, line 22 - Description of Weighted Average Retirement Age

Plan Name WALTER USA, INC. PENSION PLAN

EIN: 39-0925180

Plan Sponsor's Name WALTER USA, INC.

PN: 002

The weighted average retirement age is equal to the normal retirement age of 65.

List the rate of retirement at each age and describe the methodology used to compute the weighted average retirement age, including a description of the weight applied at each potential retirement age.

Assumed retirement age is the normal retirement age of 65

Attained Age	YEARS OF CREDITED SERVICE											
	25 to 29			30 to 34			35 to 39			40 & up		
	Average			Average			Average			Average		
	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.
Under 25												
25 to 29												
30 to 34												
35 to 39												
40 to 44												
45 to 49												
50 to 54	1			1						1		
55 to 59							1					
60 to 64												
65 to 69												
70 & up												

SCHEDULE SB, line 19 – Discounted Employer Contributions

Walter USA, Inc. Pension Plan

EIN: 39-0925180

PLAN NUMBER: 002

Contribution Date	Quarterly Due Date	Contribution	Plan Year Applied	Number of days discounted at		Interest Adjusted Contribution
				6.59%	11.59%	
06/10/2011	01/15/2011	\$15,327	2010	106	146	\$14,400
06/10/2011	04/15/2011	\$15,327	2010	196	56	\$14,564
07/18/2011	07/15/2011	\$15,329	2010	287	3	\$14,566
10/07/2011	10/15/2011	\$15,329	2010	371	0	\$14,366
12/27/2011		\$96,000	2010	452	0	\$88,705
						\$146,601

SCHEDULE SB, Part V – Summary of Plan Provisions
WALTER USA, INC. PENSION PLAN
EIN: 39-0925180 PN: 002

This summary of plan provisions provides an overview of the major provisions of the pension plan used in the actuarial valuation. Because it is only a summary, and is not intended to replace the more precise language of the plan document, if there is any difference between the description of the plan herein and the actual text of the plan document, the plan document will govern.

EFFECTIVE DATE OF PLAN	October 1, 1966
ELIGIBILITY REQUIREMENTS	
Minimum Age	None
Service	None
NORMAL RETIREMENT	
Age	65
Normal form of annuity	Five years certain and life
Monthly Benefit	Effective October 1, 2008 participants accrue \$25 for each year of participation. Partial credit is given for partial years of participation (less than 1800 hours).
EARLY RETIREMENT	
Eligibility	Age 55 and 10 years of service
Monthly benefit	Accrued Benefit reduced .5% for each month by which the participant's early retirement precedes normal retirement.
SPECIAL EARLY RETIREMENT	
Eligibility	Window to elect from Oct 1, 2008 to Dec 1, 2008. Age 63 and 14 Plan Years of Service as of Oct 1, 2008.
Monthly benefit	Participant's Accrued Benefit, unreduced for early commencement, plus a monthly supplemental payment of \$800 payable from the date of Special Early Retirement until the month prior to the Participant's Normal Retirement Date.
POSTPONED RETIREMENT	
Eligibility	Past normal retirement age
Monthly benefit	The greater of the accrued benefit determined as of the participant's actual retirement date or the actuarial equivalent of the benefit payable at the participant's normal retirement date.
DISABILITY RETIREMENT	
Monthly benefit	Participant's accrued benefit at date of disability
DEATH BENEFIT	
	The surviving spouse is entitled to the survivor's portion of a life and ½ to survivor annuity that would have been available if the participant had terminated on the day immediately preceding their death, payable upon the earliest date thereafter that the participant could have retired.
VESTING	100% vested upon completion of five years of service

SCHEDULE SB, Part V – Statement of Actuarial Assumptions/Methods
WALTER USA, INC. PENSION PLAN
EIN: 39-0925180 PN: 002

1. ACTUARIAL COST METHOD

A "unit credit actuarial cost" method and contributing "normal cost" plus a "shortfall" contributions. No shortfall contribution is required in 2008, 2009 and 2010 if minimum funding thresholds of 92%, 94% and 96% respectively (ignoring any pre-2008 credit balances) are met (a plan new after 2007 is not eligible for this transition and must start at 100%). After 2008, shortfalls are recalculated each year and any incremental gain or loss starts a new seven year period.

2. ASSET VALUATION METHOD

The actuarial value of assets equals the contract value of assets held in an insurance company general account (unallocated contracts), plus the market value of assets held in pooled separate accounts, adjusted for the value of any contributions which may be receivable or prepaid as of the valuation date.

3. FUNDING TARGET ASSUMPTIONS

a. Segment Rates Applicable for June 2010 (lookback month)

First segment (0 - 5 years)	4.16%
Second segment (6 – 20 years)	6.52%
Third segment (Over 20 years)	6.68%

b. Effective interest rates 6.59%

c. Mortality rates

Pre-retirement	2010 Optional Combined Tables for Males and Females (IRB 2007-24)
Post-retirement	2010 Optional Combined Tables for Males and Females (IRB 2007-24)

d. Termination rates T-2 Turnover Table

e. Disability rates 50% of the 1964 OASDI Male Table

f. Retirement age Normal retirement age

g. Percentage of married participants 80%, husbands are 3 years older than wives

h. Expense None

4. EMPLOYEE DATA

This report is based on employee and salary data furnished by Walter USA, Inc.

Attachment to 2010 Form 5500
Schedule SB, line 22 - Description of Weighted Average Retirement Age

Plan Name <u>WALTER USA, INC. PENSION PLAN</u>	EIN: <u>39-0925180</u>
Plan Sponsor's Name <u>WALTER USA, INC.</u>	PN: <u>002</u>

The weighted average retirement age is equal to the normal retirement age of 65.

List the rate of retirement at each age and describe the methodology used to compute the weighted average retirement age, including a description of the weight applied at each potential retirement age.

Assumed retirement age is the normal retirement age of 65

PN: 002

[illegible]

Schedule SB, line 32 - Schedule of Amortization Bases

PN: 002

[illegible]